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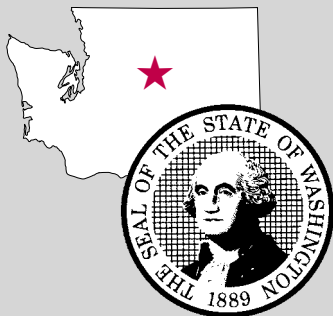
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State Representative Cary Condotta



12th Legislative District

Dear Friends,

Greetings to all of you. Given the circumstances surrounding the governor's election and the volatility of the legislative session, I elected to wait until the dust settled a bit before reporting to you. I hope many of you caught our weekly **TV updates** or tuned in to my weekly **radio show** to stay on top of the events in Olympia. Your e-mails, letters and phone calls were **very much appreciated** in this challenging session.

It has been very difficult watching the tremendous progress and creativity of the last session (my first term) literally **self-destruct** this year. If the previous session was a large step forward (and it was!), this session was a quantum leap backward. I have heard it said that while the 2004 session was the best in 20 years, this one was **the worst in 22**.

In one session the Legislature scrapped a successful **budget process**, made the **business climate** worse, eliminated people's **referendum rights**, and enacted the largest **total tax increase** ever. And that's just a few of the failures — there were many more. It is quite evident that until we change the way of thinking in Olympia and the folks who control it, we will be at the mercy of a few **special interest groups** and an unlimited thirst for **larger government** and **increasing taxes** to pay for it. While I am delighted that the Legislature addressed education funding, the new revenue forecast showed it could have been done without tax increases.

I am more determined than ever to stop this runaway freight train, and believe it can and will be done. The alternative is a much lower standard of living and far less freedom for generations to come. Please don't hesitate to contact me with your comments or concerns. **I am honored to be your representative** in these most important times.

Sincerely,

Rep. Cary Condotta

2005 Legislative Session Review

Seattle gas tax goes statewide

In a desperate attempt to solve their own transportation dilemma – a situation brought on by a **lack of long-term planning** – Seattle needed another gas tax increase. While a 5-cent increase would have been adequate to fund their projects, there weren't enough votes in the Legislature. So more and more projects in various districts were added in until the **balance of votes changed**. By that time, the tax hike had risen to 9-¹/₂ cents and the \$5.5 billion package included new annual vehicle weight fees of \$10 to \$30 on passenger cars and light trucks, a \$75 annual fee on motor homes, and increased fees on drivers' licenses and license plates.



Let me be clear: **this package will do little to improve Seattle traffic**. It lacks vision, comes at a bad time with already high fuel prices, and is Washington's **largest ever tax increase**. It also contains an "emergency clause" which took away voters' right to referendum on the matter. For these reasons and more, I voted against this tax package.

What happened to Priorities of Government?

The Democrat budget that passed this year raised taxes, hiked state spending by double-digits and raided important dedicated accounts. Specifically, the budget:

- Increased state spending by **12.4 percent** – the largest jump in **14 years** (*we could have raised spending by up to 7 percent with no tax increase*);
- Reinstated the **estate tax**, which hurts small employers wanting to pass their businesses on to their children (*the court and a citizens' initiative both overturned the tax, but now it's back*);
- Increased **cigarette taxes** by 60 cents a pack and the **liquor tax** by \$1.33 a liter (*higher cigarette taxes may actually reduce revenue*);
- Put off making payments to the state **pension fund**, a move that will result in hundreds of millions in additional payments in future years;
- Pulled \$233 million from **one-time funding sources**, jeopardizing future budgets; and
- Created an **even bigger deficit** for the next budget cycle.

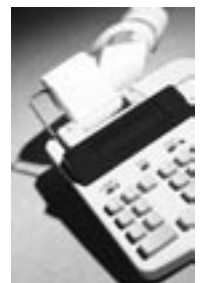


This budget also completely abandoned the **Priorities of Government (POG)** process. Under the leadership of Sen. Dino Rossi, we used this award-winning process in 2003 to identify services people need most and fund those first without raising taxes. That decision helped us grow revenue by \$1.7 billion. This should have been more than enough to create a no-new-taxes budget for 2005, and generate a similar revenue increase in 2007. Unfortunately, this successful budget method was scrapped, sending us back to square one.

I voted against this budget. The people of Washington deserve a sustainable, responsible government. The majority party should have respected that mandate by **balancing the budget without raising taxes**.

Good-bye, I-601 spending limit

Voters passed I-601 in 1993 to stop the Legislature from raising taxes with ease and keep spending in line with growth. Has it worked? Consider this: The four state budgets prior to I-601 grew an average of **17.3 percent**. After I-601, budget growth was **cut in half** to an average of 8.5 percent. That means I-601 saved taxpayers more than **\$4 billion** since voters put it in place.



Yet this session, Democrats introduced and passed a bill that **put a stake in the heart of I-601** by allowing the Legislature to raise taxes by a simple majority vote, rather than the two-thirds majority required under I-601. The bill also recalculated the state's spending limit to allow for much higher spending in future budgets.

This bill was about one thing: raising taxes this year and into the future. It also contained an **emergency clause**, which took away the public's right to a referendum on the matter (see next page).

Gutting I-601 was a breach of faith with the citizens of Washington. Voters continue to tell us they **don't want new taxes** and *do* want protection against **out-of-control state spending**. I am committed to strengthening taxpayer protections and promoting fiscal responsibility in our state budget.

2005 Legislative Session Review

Where's the emergency?

Sometimes when lawmakers propose a bill they include a "**declaration of emergency**," which means the bill goes into effect right away and citizens cannot put the matter to a vote via referendum. Instead, opponents who wish to repeal it are forced to propose an initiative – which requires twice as many signatures.

Almost **one-fifth** of the bills that passed the House and Senate this year included an emergency clause. In most cases, the use of this tactic was not about saving lives or helping those in urgent need. Instead, it was used to **make an unpopular bill stick**. That's what happened with the bill to gut I-601 and the gas tax increase. It was also used in Senate Bill 5097, which required that 15 percent of all work on large public works projects be done by largely union apprentices. This practice already existed via a governor's Executive Order – so **what was the emergency?**

I oppose the use of the emergency clause when there is no real emergency. I believe this tactic goes directly against the will of voters and strips away their right of referendum. I will continue pointing out cases where I feel this legislative procedure is used improperly.

Promoting local tourist sites

This session I proposed a bill that would have **funded a national television advertising campaign** to promote Washington tourism, including major visitor attractions in Central Washington. Washington ranks in the **bottom five states** for state spending on tourism promotion. Both House Republicans and Democrats signed on to support the bill, which passed the House. Unfortunately, it did not pass the Senate because it was considered additional spending. In my view, this campaign would have raised revenue far beyond the relatively small investment required.



Other states are already moving ahead with this idea, and it's paying off in a big way. California's "Arnold and Maria" ads are a perfect example. It's time for Washington to step up to the plate and start pursuing these tourist dollars that **provide local communities with revenue** to fund vital services. That's why I will bring this bill forward again next year.

Session wrap on major issues

Here is where the Legislature came down on a number of items important to families, individuals and small business owners in the 12th District:

- **Industrial Insurance.** I proposed several bills this year that would have made Washington's **industrial insurance program more fair and affordable**. Unfortunately, labor groups opposed these bills, and they did not pass. On a positive note, we did pass legislation to audit industrial insurance and determine actual program costs.
- **Unemployment Insurance (UI).** In 2003, the Legislature enacted key changes to make our UI system **more fair and equitable to employers and employees**. This year, the majority party unraveled those measures and took us back to having the highest UI costs in the nation. This sent a terrible message to current and prospective Washington employers – and will cost us jobs. I offered an innovative alternative to help seasonal workers without changing

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Rep. Condotta took the lead on Washington's commerce and labor issues this session.



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12th Legislative District

Session wrap on major issues *continued*

the program, but it was defeated. I have been appointed to a UI task force and will be meeting with other lawmakers during the interim to discuss solutions to this issue.



- **Election Reform.** Restoring voters' confidence in our election system was a big priority for many of us this year. While we did make some changes that will help, we did not go far enough to fix the problems we saw in the last election. For example, while we will require ID at the polls, that ID can be a simple utility bill – no photo required. And canvassing boards can still guess at voters' intent. I supported a **comprehensive election reform bill** that would have required photo ID at the polls and forced counties to reconcile the number of votes with voters. I will push again next session for these changes that would restore integrity to our voting process.
- **Health Care.** This year I introduced a bill that would have given state employees the option of using innovative **Health Savings Accounts**. While the bill passed the House, Senate Democrats turned it into a "study," which would have cost taxpayers money to examine an issue that's already quite clear. Of the 100+ health care bills that passed House committees this year, mine was the only bill that would have reduced the cost of health care, and the only Republican measure to receive a full House vote. I will bring the bill forward again next session. Because of its bipartisan support this year, I am optimistic about its success.
- **Stopping bad bills.** Good news! We were able to stop several bills this year that would have cost jobs and hurt employers in a big way. One bill would have required employers to purchase **health insurance** for employees or face a tax penalty, costing jobs. Another would have forced all employers, regardless of size, to provide workers with **five weeks of paid medical leave** and hold the job open until the employee returns. We also stopped a wage penalty bill that would have cost small businesses millions. I will be diligent about protecting small businesses in the 2006 session.

Wenatchee office re-opens

Now that the session is over, our local office is open again to serve you. The office is located at 3012 G.S. Center Road, Suite D, Wenatchee. Our phone number is **(509) 664-1274**. The office is staffed by Legislative Assistant **Kurt Hammond**. Please feel free to stop by, call or e-mail us at Condotta.Cary@leg.wa.gov.

If you would like to receive e-mail updates on legislative issues, please send us your e-mail address.

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Inside:
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